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ABSTRACT

The purpose of this report is to analyze how the administrative and paperwork requirements with which local school districts must comply have been affected by the consolidation of 28 federal education programs into the Chapter 2, Education Consolidation and Improvement Act (ECIA) block grant. The information reported is based on interviews with Chapter 2 administrators in nine local school districts and three state departments of education in Montana, North Carolina, and Ohio. The key findings of this investigation, highlighted in the first section, are that Chapter 2 has reduced the administrative burden on local school officials due to simplified application procedures, and that it has given them greater discretion. Liabilities include the loss of funds for innovative research, weakening of control over use of the funds, and the loss of incentives for careful planning. The second section explains the rationale and methodology of the analysis, including criteria for selection of samples and data collection methods. The third section provides an overview of the three states and nine local education agencies selected for examination, and the fourth section summarizes the specific changes in administration and paperwork reported by those interviewed. The fifth section describes Chapter 2 administrators' assessments and recommendations, while the final section provides conclusions and policy implications. (TE)

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THE EFFECTS OF THE CHAPTER 2, ECIA CONSOLIDATION ON THE ADMINISTRATIVE AND PAPERWORK REQUIREMENTS FOR LOCAL SCHOOL DISTRICTS

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THE EFFECTS OF THE CHAPTER 2, ECIA CONSOLIDATION ON THE ADMINISTRATIVE AND PAPERWORK REQUIREMENTS FOR LOCAL SCHOOL DISTRICTS

The purpose of this report is to analyze how the administrative and paperwork requirements with which local school districts must comply have been affected by the consolidation of 28 federal education programs into the Chapter 2, Education Consolidation and Improvement Act [ECIA] Block Grant. The information reported is based on interviews with Chapter 2 administrators in nine local school districts and three state departments of education.

The key findings of this investigation are highlighted in the first section of the report. The second section explains the rationale and methodology of the analysis. The third section provides an overview description of the three states and nine local education agencies [LEAs] that constitute the sample for the investigation. The fourth section summarizes the specific changes in administration and paperwork reported by the officials interviewed, while the fifth section describes Chapter 2 administrators' assessments of the block grant and their recommendations for improvements.

Conclusions and policy implications are presented in the final section.

HIGHLIGHTS

- Eleven of the 12 Chapter 2 administrators interviewed for this study agree that Chapter 2 has reduced the administrative and paperwork burden imposed on local schools and has transferred more authority to state and local officials.
- Five of the nine local officials interviewed identified the simplification of the application procedure as the change that has contributed the most to the reduction in administrative and paperwork burden.
- All SEA and seven of the nine district respondents reported noticeable reductions in the staff time required to administer the Chapter 2 program when compared to that required to administer the antecedent state-administered programs.
- Most interview respondents agree that the Chapter 2 program is being administered by the states in a fashion strikingly similar to the old Title IVB program.

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- The two most positive aspects of the program, according to those interviewed, are the simplified application procedures and the discretion that is afforded local school officials.

- Five of the nine district respondents, especially those in the larger districts, believe that the reduction in administrative requirements and the increase in local discretion have not been accomplished without some costs. The three most frequently mentioned are: 1) the loss of funds directed specifically at innovative local research and demonstration projects; 2) the weakening of controls to ensure that funds are expended according to the law and for purposes that are in the national interest; and 3) the loss of incentives to plan projects carefully, set objectives, and evaluate results.

RATIONALE AND METHODOLOGY

Chapter 2 of ECIA replaces 28 previously funded categorical programs with one grant that state and local educational agencies can use for broad educational purposes. Congress stated in the 1981 enabling legislation that the purpose of the program is to:

> financially assist state and local educational agencies to improve elementary and secondary education . . . in a manner designed to greatly reduce the enormous administrative and paperwork burden imposed on schools at the expense of their ability to educate children (Section 561(a)).

In February 1983, the Office of Planning, Budget, and Evaluation in the Department of Education [ED] contracted with the Education Analysis Center for State and Local Grants to conduct an exploratory investigation of how the consolidation has affected the administrative and paperwork requirements imposed on local school districts. To accomplish this purpose, the Center's staff: (1) selected a sample of states and school districts to be studied; and (2) collected and analyzed information from these states and districts about the administrative changes brought about by the consolidation.

Sample Selection

The number of administrative and paperwork requirements with which local school districts must comply is determined both by federal policy and by state policy. For instance, districts in states that require a detailed application with separate project narratives for each public and nonpublic activity supported with

Chapter 2 funds face more paperwork than districts in states that require only a signed set of assurances and a listing of the percentage of funds to be allocated to each purpose specified in the law. An analysis of the requirements imposed on local districts must, therefore, account for the variations in state implementation of the program.

In selecting the sample of local districts for this analysis, the study team first identified three states with Chapter 2 application packages that vary signficantly in terms of their complexity and the degree of specificity required of local districts. Other factors that were considered in selecting the states included regional location, rural/urban mix, and the willingness of the Chapter 2 administrator in the state to participate in the study. Following consultation with the Project Officer, three states were invited to participate: Montana, North Carolina, and Ohio. The variations among the states are described in the next section of this memorandum.

The second step in the sample selection process was to select three local school districts in each of the three states. The administrative and paperwork changes experienced by a local district depends in large part on the number and type of antecedent programs in which the district participated prior to consolidation. Therefore, districts were purposively selected in each state to reflect the diversity among all districts in the state in terms of antecedent program participation. Information on district participation in the federally administered antecedent programs was obtained from the Assistance Management Procurement Service [AMPS] file. The Chapter 2 Coordinators in the three states provided information about participation in the state-administered antecedent programs.

In each state, one district was selected that had participated only in Title IVB of the Elementary and Secondary Education Act [ESEA]. A second district was chosen to represent those districts that, when compared to other districts in the state, participated in an average number of antecedent programs, some of which were competitive. Depending on the state, these districts received grants from between one and four antecedent programs in addition to the Title IVB program. Finally, a third district was selected that was considered to be an active grant seeker in the state and that had participated in a large number of the antecedent programs relative to other districts in the state.

State Chapter 2 Coordinators identified the individual responsible for the administration of Chapter 2 in each of the districts selected. A member of the study team contacted each of these individuals, in order to explain the nature and purpose of the investigation and to request participation in the study. All the districts agreed to be included in the study. The district representatives interviewed were given assurance that neither

they nor their districts would be identified by name in any reports emanating from the study.

Data Collection

Interviews designed to elicit both factual and perceptual information were conducted with the Chapter 2 Coordinators in each of the three states and with the individual responsible for administering the Chapter 2 program in each of the nine local districts. In very small districts it is not unusual for the Chapter 2 program to be administered by the Superintendent, while in larger, more diversified districts, the respondent is likely to have specialized responsibilities for administering one or more federally funded programs. All the respondents, including both those at the SEA and those at the local level, have had extensive experience with the antecedent programs. The LEA respondents have been employed in their districts for an average of 18 years, and the state respondents have been with the SEA for an average of 10 years. Thus, all respondents are well qualified to report on the effects of the consolidation on the administrative and paperwork requirements faced by local districts.

Individuals interviewed were asked to provide background information on their positions and responsibilities in the districts and on their involvement in the antecedent programs. In addition, they were asked to comment on the positive and negative aspects of the Chapter 2 program, to recommend ways the program could be improved, and to suggest other categorical programs that should be consolidated. Finally, all respondents were asked to agree or disagree with a number of statements about the program's success in achieving the purposes outlined in the legislation, which included transferring authority to state and local officials, reducing administrative burden, and enhancing the education of public and private school children.

In addition, the LEA officials were asked a series of questions about their district's enrollment, participation in the antecedent programs, and the size of the district's Chapter 2 award in 1982-83 and the size of their antecedent program awards for the two years prior to consolidation. The heart of the interviews consisted of a series of open-ended questions about Chapter 2-related changes in application procedures, number of personnel required to administer the program, recordkeeping, reporting, monitoring by the state, parent/teacher consultation, management of the private school component, and program evaluation.

SEA officials were asked to provide background information about the state's implementation of Chapter 2 and were asked to comment on how the program had been received by LEAs in the state. They were also asked a series of questions about the

state's administration of the program. The areas covered included: changes in the number of state administrative personnel since consolidation; design of the Chapter 2 and state-administered antecedent program applications; uses of the state set-aside funds; information dissemination activities; state administration of the private school component; and changes in paperwork, recordkeeping requirements, state monitoring activities, and evaluation activities brought about by the consolidation.

AN OVERVIEW OF SAMPLE STATES AND DISTRICTS

The study team collected background information about the states and districts investigated that is helpful in interpreting the changes reported by local officials. In this section, contextual information about the three states and nine districts included in the sample is provided to demonstrate the variability among the states and districts examined.

The Sample States

Montana. Montana has designed a Chapter 2 application that is particularly easy to complete. Although applications must be submitted each year, districts are required only to provide their name and address, sign the statement of assurances, and indicate the percentage of their allocation that they plan to expend for each of the 32 program purposes and for each sub-chapter. No project narrative is required. If any private schools are located within the district, they must be listed, and each must complete a one-page form, which accompanies the district application. Included in the 1982-83 application packet was a final evaluation report, which consisted of three parts: 1) an expenditure report; 2) a calculation of any unobligated funds; and 3) an evaluation narrative asking the LEA to describe briefly the impact of the project and to make suggestions regarding unmet needs. For the 1983-84 school year, the state will use a modified version of Ohio's evaluation form.

The Montana state legislature decided to retain the entire 20 percent set-aside for administrative purposes. As a result, none of the state share is allocated to programs for which local districts can compete.

The applications for funds under the state-administered antecedent programs were also relatively easy to complete when compared to those used in other states. Like the Chapter 2 application, the Title IVB application required no project narrative. The application for Title IVC funds did require a project narrative but according to respondents, the narratives were relatively short -- typically between 6 and 30 pages in length.

Approximately 25-50 percent of the Title IVC applications received by the state were approved for funding.

More than 90 percent of the 564 school districts in Montana applied for Title IVB funding. Participation in the antecedent state-administered competitive programs such as Title IVC was much less. Normally the state received about 90 competitive applications each year. Forty or 50 of those might be funded. Some developmental Title IVC grants were multi-year awards, so that in any given year there might be between 50 and 60 competitive grants operating.

Participation in the federally administered antecedent programs was even more modest. For instance, in the year prior to consolidation fewer than 10 Montana districts received a grant under any of the 24 federally administered programs. No district received an Emergency School Aid Act [ESAA] award that year, although some ESAA grants had been awarded to Montana districts in earlier years.

Participation in Chapter 2 has been much higher. In fact, only 15 districts did not apply for Chapter 2 funds. All of those districts are small and in some cases enroll less than ten students. None of the 15 would have received more than $700 had they decided to participate.

Although more than half of the districts in Montana received a Chapter 2 allocation of less than $1,000, all the districts except two gained funds as a result of the consolidation. The two that lost funds had participated in more of the antecedent programs than most other districts in the state and were perceived by SEA respondents to be particularly adept at proposing and implementing innovative projects.

Private school participation has also apparently increased under Chapter 2 when compared to participation in the Title IVB program. Most of the private schools were reported to have gained funds as a result of the consolidation.

According to the SEA respondent in Montana, the Chapter 2 program is very popular in that state:

> I've never seen [the local districts] as happy with any other program. They appreciate the local discretion. Some of them are still not used to the amount of decisionmaking they are allowed in terms of program options. There is very little red tape or review required from the state in terms of approval other than the statutory and legal requirements. So our sense is . . . that districts are very pleased with the block grant.

North Carolina. North Carolina's Chapter 2 application is of moderate length and complexity. The North Carolina SEA issued two sets of guidelines for the Chapter 2 program: one for the basic grant and another for the competitive grant program funded with 5 percent of the state's 20 percent set-aside. In addition to background information on the district and the private schools in the district and a statement of assurances, the application requests information for determining compliance with the maintenance of effort provision and a summary of planned expenditures by program purpose and subchapter. Finally, the applicant is required to answer in narrative form six questions that relate to parent/teacher consultation, equitability of treatment for private school students, LEA needs addressed by the Chapter 2 project, project descriptions by subchapter, a description of how the project will improve education, and an evaluation plan. The application is submitted for a three-year period, although an annual supplement must be completed each year. The supplement requires a new narrative section only if the project is being revised.

State officials held eight regional workshops to explain the Chapter 2 program and application to LEAs. Those workshops are being held again this year to explain the annual supplement, although there is much less information to convey now that districts have had some experience with the program and the application process.

Applicants for competitive awards are requested to submit proposals, not to exceed 15 pages, that include a narrative section containing a statement of need, description of the planning process, objectives and strategies, timeline, evaluation plan, LEA commitment, statewide significance, staff and support resources, budget justification, and a plan for private school participation. According to the SEA official interviewed for this study, $555,000 was allocated to this program, which was designed to support projects in three priority areas: performance appraisal, educational technology, and dropout prevention. A total of 95 applications were received by the SEA, and 19 projects were awarded funds.

All districts participated in Title IVB, which required an application that was only slightly more complicated to complete than the Chapter 2 application. The Title IVC proposal narratives submitted by LEAs were usually between 6 and 25 pages in length, depending on the type of Title IVC grant for which funding was required. Approximately 80-90 Title IVC projects were operating in the year prior to consolidation.

Approximately 20 of the 143 school districts in North Carolina participated in one or more of the federally administered antecedent programs in the year prior to consolidation. Districts were more likely to participate in the ESAA program than in any other.

Sixty-seven percent of the LEAs in North Carolina gained funds as a result of the consolidation. All public school districts applied for funds under the new program, and in 24 percent of the private schools, students are being served with Chapter 2 funds. The SEA official interviewed for this study believes that private school participation in the program will increase next year.

As in Montana, the Chapter 2 program in North Carolina is quite popular, according to the state Chapter 2 official interviewed for this study:

> Overwhelmingly, the only concern or question the LEAs have is that they could use more money. With the flexibility of the program, many of the old things that were supported are hurting. . . . They love the fact that they can use the money for so many things.

Ohio. Ohio has designed a lengthier and more complicated Chapter 2 application than either of the other two states. The Ohio application packet for the 1982-83 school year consisted of two documents, one entitled Guidelines and Application Information, and the other entitled Procedures and Implementation Forms for Fiscal and Program Mangement. Districts are required to submit a separate narrative for each subchapter. In addition, a separate narrative for each subchapter must also be submitted for each nonpublic school in which students are being served. Each narrative is divided into three sections: objectives, activities, and evaluation.

Districts were allowed to choose whether they wanted to submit an application for a single year or for up to three years. If a multi-year submittal was made, the district is still required to resubmit practically the whole application each year. New narratives are not required if there are no changes in the plan, but copies of the old narratives that are still applicable must be attached with each submission. According to the SEA administrator of the program, only a handful of districts chose to submit a multi-year application.

The SEA staff conducted five regional workshops to explain the program and the application process. These workshops will not be repeated this year because the program guidelines have changed very little.

The state issued 23 RFPs for which LEAs submitted proposals. The funds awarded totalled $1.3 million and were drawn from the state set-aside and state carryover funds from the antecedent programs. The RFPs addressed a variety of priority concerns of the state Chapter 2 advisory committee. In the second year of the block grant, no competitive awards are anticipated.

The old Title IVB application consisted of the following components: 1) Project Information, including a separate statement of goals and objectives for the public and nonpublic programs; 2) Budget Summary; 3) Maintenance of Local Effort Report; 4) Public Program Evaluation; 5) Nonpublic Program Evaluation, and 6) Assurances. Only a few districts did not participate in the Title IVB program.

The Title IVC program offered three different types of grants: developmental grants, teacher and unit grants, and adoption and special purpose grants. Completed applications were usually between 10 and 50 pages in length. The state awarded between 12 and 15 developmental grants per year, but often awarded as many as 400 of the smaller Title IVC grants. The state official interviewed for this study estimated that within any given year about 50 percent of all districts were operating a Title IVC project. Over the life of the program, an estimated 95 percent of all LEAs received a Title IVC award.

Only about 20-25 of the 615 school districts in the state participated in the federally administered programs consolidated into Chapter 2 in the year prior to the consolidation. Several districts, however, participated in as many as seven or eight of the federally administered programs in a given year.

Only a few of the very small districts in Ohio have declined participation in Chapter 2. Private schools are also participating more frequently in Chapter 2 than they did in either Title IVB or Title IVC. On the whole, private schools are receiving more funds under Chapter 2 than they did under the antecedent programs.

At least 50 percent or more of the districts gained funds under the program, although there were some large districts in the state that lost a significant amount as a result of the consolidation. These districts had either been receiving large ESAA awards or had been particularly assertive in obtaining other competitive awards.

In commenting on the assessment of the Chapter 2 program by LEAs, the state respondent had this to say:

> If they received more funds under this program, they're happy. If they received less, they're unhappy. Overall though, we've had good feedback on the administration of the program, the ease with which it's administered, and so on.

Summary. What is most striking about this overview of the three states is the diversity among them. Although in each state, the Chapter 2 application is a somewhat simplified version

of the old Title IVB application designed by the state, the applications vary significantly from one state to another. For example, Montana's application requires no project narrative while Ohio's application requires a separate narrative for each subchapter. This suggests that the application requirements imposed on local districts is as much a function of state decisions as federal policy.

A second conclusion is that only a very small percentage of districts had any involvement in the 24 federally administered programs consolidated into Chapter 2. For instance, fewer than 10 of the 564 school districts (0.02%) in Montana participated in any of the federally administered programs in the year prior to consolidation. Similarly, only about 20 of the 143 school districts (14%) in North Carolina and about 20 or 25 of the 615 school districts (0.03-0.04%) in Ohio participated in the federally administered programs in the 1981-82 school year. Thus, any reduction in administrative burden resulting from the consolidation of the federally administered programs could not have affected many districts in these three states.

On the other hand, participation in Title IVB and, to a lesser extent, the state-administered competitive programs such as Title IVC was much higher. Almost all school districts in each of the states received Title IVB funds. Although only about 10 percent of the Montana districts received competitive awards from the state-administered antecedent programs in any given year, as many as 50 percent of the Ohio districts and 60 percent of the North Carolina districts were operating Title IVC projects each year. If the other state-administered competitive programs are included, the percentage is even higher. Therefore, the consolidation of these state-administered antecedent programs could be expected to have a significant effect on many school districts. Information provided in the following pages supports this expectation.

The Sample Districts

As explained earlier in this report, the local school districts that were investigated for this study were selected on the basis of their participation in the antecedent programs. Figure 1 provides a listing of the antecedent programs in which each of the districts participated during the 1981-82 school year. In each state, District A participated in the greatest number of antecedent programs; District B participated in an average number of programs for districts in that state; and District C participated in only the Title IVB program.

Note that in Montana, District B received only a Title IVB award in 1981-82. By contrast, District B in Ohio and in North Carolina both participated in several antecedent programs in addition to Title IVB. According to an SEA official, District B

FIGURE 1

DISTRICT PARTICIPATION IN ANTECEDENT PROGRAMS,
1981-82

Antecedent Program	MONTANA			NORTH CAROLINA			OHIO		
	District A	District B	District C	District A	District B	District C	District A	District B	District C
Title IVB, ESEA	X	X	X	X	X	X	X	X	X
Title IVC, ESEA	X (7)*			X	X		X	X (2)*	
Emergency School Aid Act									
Basic Grant				X			X	X	
Magnet Schools							X		
Career Education					X		X	X	
Basic Skills Improvement				X					
Arts in Education				X					
Ethnic Heritage							X		
Gifted and Talented Children							X	X	
Law-Related Education							X		
Follow Through	X								

*The number in parentheses indicates the total number of separate Title IVC awards the district received.

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in Montana had participated in other antecedent programs such as Title IVC in prior years and, given the low degree of participation in the antecedent programs by Montana districts, was considered to be typical of districts that were modestly active in seeking grants. Even District A in Montana, which was one of the most assertive grant seekers in the state, participated in only two programs other than Title IVB.

Figure 2 compares the allocations of each of the sample districts under the Chapter 2 block grant and under the antecedent programs in the two years prior to consolidation. All the districts lost money between the 1980-81 and the 1981-82 school years. Seven of the nine districts, however, fared better after consolidation than during the year prior to consolidation, and three of these districts more than doubled their allocations under the antecedent programs. Two of the districts were in Montana, and one was in North Carolina. These three districts were the only ones that realized a net gain in funding between the 1980-81 school year and the first year of the block grant.

CHANGES IN ADMINISTRATIVE AND PAPERWORK REQUIREMENTS REPORTED BY STATE AND LOCAL OFFICIALS

State and local officals interviewed for this study were asked how the consolidation of the antecedent programs had affected the administrative and paperwork requirements imposed on their organizations. Specifically, they were asked to describe and assess any changes in the following areas of program administration: 1) application procedures; 2) number of administrative personnel; 3) recordkeeping; 4) reporting; 5) monitoring of local districts; 6) parent/teacher consultation; 7) management of the private school component; and 8) program evaluation. In this section, the responses of the individuals who were interviewed are reported and analyzed.

Application Procedures

By far, changes in application procedures were mentioned most frequently as the most significant change brought about by the consolidation. Virtually every district investigated reported a noticeable simplification in application procedures, although in each of the three states district officials noted that the Chapter 2 application was very similar to the old Title IVB application both in terms of the type of information requested and the time needed to complete the application.

In those districts that had previously participated in both state and federally administered antecedent programs, respondents emphasized how much simpler it is now to submit a single application to a single agency rather than to submit multiple applications to a host of funding agencies. For those districts, the

FIGURE 2

A COMPARISON OF DISTRICT ALLOCATIONS UNDER CHAPTER 2
AND UNDER THE ANTECEDENT PROGRAMS FOR TWO YEARS PRIOR TO CONSOLIDATION

DISTRICTS	Enrollment 1982	Antecedent Program Allocation 1980-81	Antecedent Program Allocation 1981-82	Chapter 2 Allocation 1982-83*	Percent Change From 1980-81 to 1981-82	Percent Change From 1981-82 to 1982-83	Percent Change From 1980-81 to 1982-83
MONTANA							
District A	12,000**	242,400**	143,500**	155,000**	-41	+8	-36
District B	3,500	11,200	9,300	31,900	-17	+241	+185
District C	100	500	500	1,300	-16	+183	+138
NORTH CAROLINA							
District A	39,500	877,100	570,200	299,700	-35	-47	-66
District B	17,500	179,500	112,000	120,400	-38	+8	-33
District C	1,200	4,000	3,800	10,900	-6	+185	+168
OHIO							
District A	78,000	8,292,000	5,013,600	1,071,200	-39	-79	-87
District B	6,000	192,000	138,500	158,800	-28	+15	-17
District C	1,000	10,000	3,500	6,000	-65	+73	-40

*Includes Chapter 2 discretionary awards by the state to the district.
**In order to protect the identities of districts, figures in this column were rounded. Actual figures were used, however, in calculating percent change as reported in the last three columns.

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reduction in paperwork and time required to apply for funds has been substantial. For instance, in one Montana district that had been an active grant seeker, the Director of Federal Programs reported that it was not unusual for his district to apply for as many as ten Title IVC grants each year. For small grants of between $10,000 and $20,000, the applications tended to be six to eight pages in length with two or three pages of narrative, but if the grant being requested was for a larger amount of money the application might be 20 or 30 pages in length, with 15 or 20 pages of narrative. When applying for a federally administered grant in excess of $100,000, the application tended to be 50 or 60 pages in length. Not only did all of these applications take a long time to prepare, but in addition, he also reported spending a great deal of time combing through the Federal Register, reading publications designed to assist grant seekers, and attending grant-writing workshops. Now all he is required to do is complete a single, very simple application with no narrative once a year.

Surprisingly, even officials in some of the districts that had only participated in one or two of the antecedent programs also reported that the simplification had been helpful. For instance, in one very small district, the Superintendent, assisted by a bookkeeper, was responsible for all federal grant applications. He was quite pleased with the Chapter 2 application, which he emphasized was even a bit easier to complete than the old Title IVB application. He claimed that his inability to spend the time required to complete an application had been a serious obstacle to his district's participation in any antecedent program other than Title IVB. As a result, he had not felt that he had real access to the funds allocated to these other programs. Because all the money was now being funneled through Chapter 2, this Superintendent believes that he is finally able to receive, with very little effort, his fair share of the available resources.

On the other hand, the Superintendent of a small district in another state reported that the consolidation had not saved him that much paperwork because the Title IVB aplication had never been very difficult to prepare. As he put it, "I hesitate to say any of it's really burdensome. If you want something, you have to expect you're going to have to spend some time with it."

None of the respondents suggested that the Chapter 2 application could or should be made any simpler even though the applications in the three states differ in the quantity of information requested and the time needed to complete them. One might have expected an Ohio respondent, for example, to express a desire for additional simplification to make the application as easy as Montana's Chapter 2 application. However, none of the Ohio respondents made such a suggestion, and in fact, at least one argued that the application was already as simple as it could be.

Moreover, there were respondents in each of the states who suggested that some benefits of the previous application process had been lost with the consolidation. For instance, one SEA respondent described several advantages of the competitive application process that are missing in Chapter 2:

> I think there is definitely less attention being put on really writing measureable objectives. . . . To me, when you're forced to write a measureable objective, it really forces you to take a look at where you are, where you want to go, what you're going to do to get there and so on. It forces you to put it on paper and follow through.

According to another SEA respondent:

> In order to compete for those funds, districts were required to do a local needs assessment and make a determination of priorities in the district. And then to establish a program to address a particular need that had been identified. I think the benefit to Title IVC was that it provided a basic framework for planning so that districts would operate a program with specific types of objectives in mind and then assess the extent to which they were able to achieve those objectives.

One state official commented that in districts that had been active grant seekers, the application requirements under the antecedent programs had engendered a commitment to planning that he felt was continuing under the block grant. And, in at least two local districts, officials agreed that although the application required by the state is now much simpler, they have chosen to continue to provide the same degree of detail in their project narratives. As one of them explained:

> We feel that it is essential to have a good plan in place and . . . an adequate, detailed written description of goals, objectives, strategies, and a description of the evaluation plan. . . . The SEA has made the process simpler, but we, in our zeal to make our projects defensible, probably gave the state agency more than was required, mainly for our own purposes. . . . We provided complete information in a 20-25 page application when we probably could have gotten by with 4-5 pages.

Number of Administrative Personnel

Most, but not all, of the districts reported reductions in the number of full-time equivalents [FTE] needed to administer the Chapter 2 program. In several small districts that had participated only in Title IVB, the Superintendents who administered the program reported that they now spent somewhat less time on Chapter 2 than they had on Title IVB. In fact, in one of these districts, the Superintendent stated that he spent "much less time" on Chapter 2 than he used to spend on Title IVB, primarily because the application is a little easier, he has not had to host state monitoring visits, and the evaluation form is easier to complete. In other small districts, the reduction in administrative time has been less noticeable.

In larger districts, respondents reported more significant reductions in administrative staff time. Although in none of the districts were administrative personnel actually laid off as a result of the consolidation, officials in several districts explained that under the antecedent programs their projects had typically been managed by a teacher released part-time from teaching duties. These teachers were able to return full-time to their teaching duties when the antecedent program projects were terminated. According to one Director of Federal Programs, monitoring these part-time project managers contributed substantially to his administrative duties. Now that he only has to be concerned with three administrative personnel -- himself and two assistant superintendents -- his job is much easier. On the other hand, he felt that some teachers may miss the opportunity to manage innovative projects.

Several respondents emphasized that the consolidation had not necessarily meant that fewer people were required to administer the program internally. Districts can still decide to allocate their Chapter 2 funds to any number of separate projects, and as the number of separate project allocations increases, so does the number of administrative personnel needed to manage the program. For instance, in one of the districts investigated, Chapter 2 dollars have been allocated to 54 different projects. Managing that number of projects clearly requires more administrative time than would have been required had the district allocated all its funds to a single project. The LEA staff had requested that the money be allocated to so many different projects so that initiatives begun under the antecedent programs could be continued. According to the local official interviewed, the Board of Education, although approving the requests, expressed its displeasure that the money was spread so widely and ordered that priorities be set for the second year of the block grant so that the money would be used for only about five separate projects. Restricting the number of uses for which the funds can be spent will simplify the administration of the block grant, according to the individual interviewed.

At the SEA level, personnel reductions were reported to be significant. For instance, in Ohio the SEA was reorganized to reflect the changes brought about by the consolidation and the decline in the resources available to the agency. Prior to consolidation, there were approximately five FTEs assigned to Title IVB, about eight to Title IVC, and several more to operate the guidance, adult education, and community education programs. Now the Chapter 2 program is being managed by three FTEs. The reduction in staff in Ohio was accomplished with no layoffs. Attrition accounts for most of the decline, although some individuals were assigned to other SEA positions or to close out the antecedent programs during the transition year.

The reductions were possible, according to an SEA official, because Chapter 2 personnel spend much less time designing competitive programs, reviewing applications, and monitoring grantees. As explained earlier, during the first year of the block grant, the state did issue 23 RFPs. Still, operating this competition required less administrative time than operating the old Title IVC competitions because the RFPs were written for the most part by people outside the Chapter 2 office, and because there were so many fewer awards to be made. (In previous years, it was not unusual for the SEA to make more than 400 awards under Title IVC.) In the second year of the block grant, the state plans no competitive awards with Chapter 2 funds.

In Montana, the SEA had assigned four people to administer the antecedent programs. That number was reduced to 1 under the block grant. Montana has no competitive awards under the block grant, so the program is easily managed by a single individual.

In North Carolina, administrative staff were reduced from about 12 to only 6 now (3 professionals and 3 secretaries). There were also approximately ten staff members who handled the fiscal side of the antecedent program prior to consolidation. There are now seven individuals with fiscal responsibility for Chapter 2. The mini-grant program, funded from a portion of the state set-aside, is the responsibility of one administrative staff member, who prior to consolidation managed a Title IVC staff of five. These reductions were possible because the mini-grant program is so much smaller than the old Title IVC program. Again no layoffs were required because people could be moved to other sections of the SEA.

Recordkeeping

Districts reported no significant changes in their record-keeping procedures. In both large and small districts, a system of recordkeeping was established under the antecedent programs, and no district had decided to change its system. When asked about recordkeeping changes, local officials typically responded with comments such as: "I do it the same way I've always done

it;" "I have a good system, and it never was burdensome;" "I need that much control;" or "Our policy has always been to keep good records, and that won't change." In one district, a respondent reported that the volume of recordkeeping has decreased because they are now operating one project as opposed to several under the antecedent programs. On the other hand, if the district were to decide to allocate its Chapter 2 funds to multiple projects, he expected the volume of recordkeeping would increase proportionately.

The decision by LEAs to make no changes in recordkeeping procedures seems to be supported by Chapter 2 administrators at the SEA level. According to one SEA official:

> The regulations do not address recordkeeping requirements very clearly. The locals want some kind of direction to know if they are doing it right. All we're telling them is don't change what you'd been doing in the past, just continue to do it. Let common sense prevail, and if you buy something with a federal dollar, make sure you can track that dollar and make sure if the auditors come in that you can find that piece of equipment.

SEA officials in the other two states concurred with this point of view.

Reporting

Districts in each of the three states investigated are required to report all expenditures of block grant funds. Typically, districts estimate their expenditures by category and subchapter in their Chapter 2 applications. If there are changes made in these estimates, budget amendments must be submitted. Then, at the end of the project year the district must return to the SEA a final expenditure report and a short evaluation form.

Most of those interviewed emphasized that these reporting requirements are very similar to those issued under Title IVB. On the other hand, some officials pointed out that the Chapter 2 reports are fewer in number and less complicated than those required under Title IVC and other competitive antecedent programs, which often required monthly program reports, six-month evaluation reports, and quarterly financial reports.

Only one official reported an increase in the reporting requirements. In his state, all expenditures must be reported by dollar and by building in one of 28 different categories. As he explained, because there are 67 separate nonpublic schools (61 of which are Catholic) in his district, he must establish 67

separate accounts each with multiple categories. The Diocese must report expenditures by school building rather than just report them by category for the Diocese as a whole. He attributed the source of the problem to be the state administrative policy for Chapter 2, and suggested that the requirement was a holdover from the Title IVC program. Under Title IVB, the nonpublic reporting requirement had been less onerous.

Monitoring of Local Districts

Most districts expect to be monitored less frequently and less closely than they were under most of the antecedent programs, although many respondents emphasized that it is still a little early to know how often SEA monitoring visits will occur. Officials in most districts reported two or sometimes three visits per year to Title IVC projects and one or fewer visits per year to monitor the Title IVB program. Most are anticipating Chapter 2 visits to occur about as frequently or perhaps somewhat less frequently than the Title IVB visits.

Chapter 2 administrators in several districts pointed out, however, that visits to the district by SEA staff had always been welcomed, because the purpose of the visit was to provide consultation and assistance. The phrases that respondents used in describing these visits included "low-key," "helpful," and "never burdensome."

State officials corroborated the perceptions of LEA officials regarding the type of monitoring that will occur under Chapter 2. One SEA official assessed the change this way:

> With the IVB program, we were more likely to approve and disapprove things, and I'm sure we were seen as having more control, which we did have. . . . Now we're very tolerant, if you want to use that word, or very liberal in what we approve -- and I'm not even sure approve is the right word. If the project's application is in and it appears to be reasonable, then we move it through the channels and they receive funding. . . . They have the freedom to do pretty much anything . . . except buy perfume for the principal's wife.

In another state, the Chapter 2 administrator noted that the SEA has very little authority to monitor under Chapter 2. In that state, in order to encourage districts to allow SEA visits to the district, the staff initiated an exemplary project program. LEAs with particularly effective Chapter 2 programs can nominate themselves for statewide recognition. In order to validate the effectiveness of the projects nominated, SEA staff

conduct an on-site review at no cost to the LEA. In this way, the state can learn more about what is occurring at the local level and give recognition to districts that have been especially innovative.

Parent/Teacher Consultation

ECIA Chapter 2 requires that parents and teachers be consulted in planning the expenditure of Chapter 2 funds, although the law does not require that a formal parent advisory council be established. None of the districts investigated had established parent advisory councils for Chapter 2, and virtually all of the committees established in earlier years under one or another of the antecedent programs have been abolished, with the exception of an Arts in Education council reportedly still functioning in one district. When queried about their assessment of parent advisory councils under the antecedent programs, most respondents agreed that while they never presented significant administrative problems, they never were of much value either. Usually the councils were simply rubber stamps for decisions made by the district administrators.

On the other hand, most respondents report that parents and teachers are consulted about Chapter 2 decisions. Sometimes this consultation is quite informal. For instance, in one very small district, the Superintendent asks the librarian and teachers what materials and equipment they need. In other districts, the consultation occurs through a variety of more formal mechanisms. For instance, in one district, school level councils have been established; in another, all the parent groups have been consolidated and now work in tandem with the Parent Teacher Association.

Management of the Nonpublic School Component

In five of the nine districts investigated, nonpublic school children are receiving Chapter 2 services. The number of participating nonpublic schools in the districts range from one to 67. In all these districts, services had been provided to nonpublic students under one or more of the antecedent programs. Thus, the management of the private school component is not a new responsibility for the Chapter 2 administrators.

Officials in each of the five districts stated that the nonpublic component operates much as it did in the Title IVB program. For instance, an official in one district, in which the nonpublic school still uses the money only for equipment and materials, explained that the LEA provides the requisition forms, orders and codes the items that the nonpublic school wishes to purchase, and then periodically sends out an inventory request on which the schools record all items in their possession and the condition of each. An official in another LEA that provides

services to children in only one parochial school emphasized that taking care of that school was just like taking care of any other building in the LEA.

In other districts, officials reported that the nonpublic schools are sometimes using their Chapter 2 funds for purposes other than purchasing equipment and materials. For instance, one respondent reported that a nonpublic school had used its allocation for a cultural enrichment visit to Williamsburg. The nonpublic school simply submitted vouchers for all expenses incurred, which the LEA then paid. The individual describing the event emphasized that, from an administrative perspective, this was no more complicated for the LEA than a purchase of library books. It was not possible to determine from the limited number of interviews conducted how often nonpublic schools use their Chapter 2 allocation for things other than equipment and materials purchases, but one SEA official estimated that 75 percent of the funds allocated to nonpubic school children in his state had been used for equipment and materials. The rest had been allocated to other purposes.

In short, there were no reports of any noticeable changes in the management of the nonpublic school component, nor were any complaints voiced about the nonpublic provision of the law in any of the five districts that serve nonpublic children. This picture of a smoothly functioning and efficient nonpublic school component was confirmed by SEA officials in each of the three states. The three state officials that were interviewed contended that LEAs had reported no problems in managing the nonpublic component, although they all commented that nonpublic participation has increased under Chapter 2, when compared to Title IVB. Moreover, they expect additional increases next year as more nonpublic schools discover how easy it is to work with the program. The nonpublic schools that do participate are, according to state respondents, very pleased with the Chapter 2 program, in part because in most instances they are receiving more money than in past years.

The state role in the management of the nonpublic component does, however, vary from state to state. For instance, in North Carolina, the state invites nonpublic school officials to the regional workshops and informs all such schools of their right to participate. Nonpublic schools are asked to return a form indicating whether they wish to participate. Then the SEA sends a list of all nonpublic schools in the district to each LEA and marks those that have requested to participate. The LEA is expected to contact all the nonpublic schools again to ensure that each has full opportunity to participate. In Ohio, by contrast, the SEA sends each LEA a list of the nonpublic schools in the district, which the LEA can use in ensuring that all the schools are informed about the program, but the SEA does not independently contact the nonpublic schools. In Montana,

identifying and contacting the nonpublic schools is a local responsibility, although the SEA maintains a computerized list of all participating nonpublic schools drawn from the local applications. In both Ohio and Montana, the SEA provides the LEA with an exact dollar amount that is to be used in serving nonpublic children. In North Carolina, the SEA gives the LEA its total allocation with instructions to allocate the money equitably among public and nonpublic school children.

To summarize, there are two conclusions to be drawn from the responses given to questions about the administration of the nonpublic component. First, Chapter 2 seems to have made little difference in the way services are delivered to nonpublic children even though the funds can now be used for more purposes. LEAs are handling the nonpublic component of Chapter 2 much like it was handled under Title IVB. Second, the LEAs that do provide such services do not seem to find this aspect of program administration burdensome, even when children are served in a variety of different nonpublic schools. These conclusions, although based on interviews in only five LEAs, were corroborated in interviews with officials in the three SEAs under investigation.

Program Evaluation

LEA officials, for the most part, report a definite simplification of the evaluation forms they are required to submit to the state. In some states, the forms are similar to the old Title IVB evaluations, but they are consistently much easier to complete than the evaluations required under Title IVC and many of the other antecedent programs.

Assessments of this change vary from district to district. In some districts, officials are clearly pleased with the simplification and argue that the previous, more complicated forms did nothing but "make a bunch of liars out of us." According to that individual, the new forms allow districts to be honest, but still give a good idea of the operation of the program.

In other districts, this assessment is clearly not shared. For instance, according to the Director of Federal Programs in an active grant-seeking district:

> I am a firm believer . . . in planning in advance, then going and implementing it, and then doing an evaluation. Whereas the block grant money is designated mainly for the middle step of just spending it, I still think that you have to have at either end of it more careful planning and more careful evaluation. . . . The way you get the most positive results is to put those two requirements on the front end and the back end

> because it does make people more conscientious. . . . You must require objectives and require evaluation.

Another local official believes that one of the principal advantages of the antecedent programs was the requirement to evaluate:

> I think the real value of the federal projects was in helping school districts learn how to evaluate their programs. The districts that have had federal funds now understand the connection between identifying what you want to do, setting up implementation procedures, and then taking a look at whether or not you did it.

In several districts, Chapter 2 officials emphasized that they intend to continue evaluating their Chapter 2 projects as carefully as they evaluated the antecedent program projects, regardless of what the state requires. For instance, a desegregation project supported with Chapter 2 funds will be evaluated exactly as it would have been had it continued to receive ESAA support. In another district, a separate evaluation of each Chapter 2 component will be conducted even though the state requires only a brief assessment of the whole project.

Although state officials have designed simplified evaluation forms, they expressed two serious concerns about the evaluation of the program. First, they are worried that the federal government may at some point ask for information they cannot provide. According to one state administrator:

> Right now I'm confused about the federal role in Chapter 2. The state application is less involved. Reporting requirements are apparently less involved, although we are sitting wondering what the federal expectations are and not finding a way to satisfy our curiosity. There is such a definite hands-off approach from the federal government that some of us are suspicious that we will be asked for information about the program's impact that we're not really prepared to respond to.

Second, there is an expressed fear among state officials that the Chapter 2 program will suffer significant funding cuts in the future if Congress cannot be informed of how the money has been spent and what impact the dollars have had. For instance,

one state official expressed it this way:

> Maybe I'm just a skeptic . . . but I'm concerned that the block grant, helpful as it may be, by the nature of it, doesn't build a constituency that will push for its continuation and that will take the responsibility to get information to decisionmakers.

The other two state administrators that were interviewed expressed a similar concern.

Assessment of the Changes in Administrative and Paperwork Burden

One conclusion that can be drawn from the information collected during this study is that the Chapter 2 program is being administered by the states in a fashion strikingly similar to that of the old Title IVB program. And, in fact, for many small districts that have never been involved with any antecedent program other than Title IVB, Chapter 2 is perceived as little more than an expanded version of that program, although they do report that the application is a bit easier to complete.

For districts that were active grant seekers, the biggest change has been that instead of submitting multiple, often lengthy applications to a number of different agencies, they now submit only one application to one agency. This change alone has resulted in a noticeable reduction in paperwork and administrative staff time in these districts.

In terms of recordkeeping and reporting requirements, state monitoring, program evaluation, management of the private school component, and parent/teacher consultation, the Chapter 2 program is administered much like Title IVB, although with perhaps even less direction from the state. In part because of districts' familiarity with Title IVB, the transition to Chapter 2 at the local level appears to have proceeded quite smoothly.

At the conclusion of each interview, respondents were asked to strongly agree, agree, disagree, or strongly disagree with the following three statements derived from the purposes of Chapter 2 specified in the legislation:

- Chapter 2 has succeeded in transferring more authority and responsibility to state and local education officials.
- Chapter 2 has succeeded in reducing the administrative and paperwork burden imposed on schools.
- Chapter 2 is an effective mechanism for enhancing the education of public and private school children.

The responses of the nine local officials and three state officials were overwhelmingly positive to all three statements, as the following summary indicates:

Statement #1: Transfer of Authority

Strongly Agree	6
Agree	5
Disagree	1

Statement #2: Reduction of Administrative/Paperwork Burden

Strongly Agree	3
Agree	8
Disagree	1

Statement #3: Effective Mechanism

Strongly Agree	3
Agree	6
Disagree	2
Strongly Disagree	1

Thus, both large and small districts, in all three states, for the most part agree that the consolidation has succeeded in achieving the objectives identified in the legislation.

OVERALL ASSESSMENTS OF THE CHAPTER 2 BLOCK GRANT

Study respondents were each asked four questions that relate to an overall assessment of the Chapter 2 program. First, they were asked to identify which aspects of the program they considered to be most positive. Second, they were asked to comment on any negative aspects of the program. Third, they were asked to recommend ways the program could be improved. Finally, they were asked to identify other federal categorical education programs that they believed should be consolidated into the Chapter 2 program or into a new block grant. In this section, the responses to these questions are reported.

Positive Aspects of the Program

Based on the responses of local officials, it is clear that the most popular elements of the Chapter 2 program are the simplified application procedures and the discretion afforded LEAs. Officials in each of the three states and in each of the three types of districts consistently described one or both of these elements as the most positive change brought about by the consolidation.

A few district officials indicated that the best thing about the program was that it provided extra dollars to accomplish

something that could not be supported with local funds. This perception was echoed by one state official:

> I really feel there is a need for money that districts can use to meet the needs that are not met either through categorical state funds or federal funds or . . . local resources. . . . Chapter 2 meets that need. There is money there that they can use to get things done, . . . regardless of their level of sophistication in terms of competing for funds. . . . Most of them are putting the funds to good use.

Another state official argued that:

> The best aspect is that every school sytem is guaranteed . . . a portion of the grant compared to the old programs when . . . in some cases it was a very low probability that they would get funding. . . . I've had superintendents come up to me and say "If I know I'm just going to get $1, I'd rather have that $1 than to have to go compete for $5 or $100 knowing that my chances were 1 in 100 or 1 in 1000.

Negative Aspects of the Program

There was more disagreement among the individuals interviewed about the negative aspects of the program than there was about the positive aspects. One district official said there were no negative aspects, while three others argued that the only negative aspect of the program is that there is not enough money allocated to it. Officials in each of these districts, which are all the relatively small districts that usually participated in only Title IVB, are clearly pleased with the program as it is currently being implemented and are hopeful that the funds it delivers to local districts will be increased. They are also the districts that tend to see the program as an expanded version of Title IVB.

In contrast, some officials, especially those in the larger, more active grant-seeking districts, are more qualified in their endorsements. These are the districts that realized the greatest reduction in administrative burden, but they are also the districts that were successful in the competitive system that was largely eliminated by the consolidation.

Four disadvantages of the program were noted. First, officials in three LEAs expressed their skepticism that any of the Chapter 2 funds would be allocated to research and/or to innovative demonstration projects at the local level. The

following is a typical expression of that concern:

> I am a little concerned with the lack of emphasis on research and development. I felt that was one of the real strong parts of IVC: that there was . . . federal support for research and development and dissemination [and] I'm a little concerned that will get lost in the scramble from 28 different interests looking for a piece of the Chapter 2 money.

Second, two local officials indicated that they believe that the consolidation is a smokescreen for federal funding cuts to education. These individuals are quite concerned that the block grant will receive increasingly smaller amounts of funds. According to one local official:

> I think there is merit in the concept of consolidation. In actual practice, however, the chief disadvantge is . . . that consolidation is a smokescreen, as I see it, for federal cutbacks to education. Block grants have always meant less money and serve as an excuse for removing the federal presence from education.

Third, one local official is concerned about the loss of priorities established by the federal government:

> I still feel there is a certain amount of merit in being told what you have to spend money on. . . . When you have to decide yourself what your own priorities are, I think too much of that for too long a time is not good because you are not standing on the outside looking in.

Finally, several respondents expressed a concern that in the drive for simplification, accountability mechanisms may have been threatened. For instance, according to one local official:

> Simplification is a very good thing conceptually. Nearly everybody can buy into it. But, I think things can become so overly simplified . . . that some LEAs are lulled into a sense of false security . . . . One should eliminate . . . as much cumbersome, unnecessary reporting or processing as feasible, but at the same time you've got to maintain some sort of an accountability structure, and it's got to be evident to all

> the participants . . . that accountability is still there.

A similar concern was expressed by another local official:

> Arguments of burdensome paperwork, burdensome regulations . . . have been overstated . . . and while I certainly subscribe to the notion that we should reduce to a minimum the requirements that are imposed on school districts, I think you should have minimum standards . . . which ensure accountability . . . and quality programs. Now, my point of view may be different from the typical school district because . . . we do have in place the machinery to do this work. . . . Most of what we do though should be done irrespective of external requirements and expectations.

Recommendations for Further Improvements

There were, on the whole, relatively few recommendations for improvement offered by study respondents. Several local officials mentioned again the need for more money. One official suggested that it would be nice to know earlier how much money each district would receive under the program so that districts could plan more effectively.

Interestingly, none of the respondents suggested ways to further reduce the administrative and paperwork burden. In fact, the more common response was to suggest ways of tightening the program requirements. For instance, one official suggested that the program needed more "teeth" so that the funds could not be diverted at the local level:

> I would like to see some insurance that money just does not get back into general revenue funds and all be negotiated away for salaries -- that it stay for programs. . . . It needs some teeth in it so people can't go to a bargaining table and bargain it away.

Another respondent suggested that some of the funds should be allocated on a competitive basis so that more money will be available for research and demonstration projects. Finally, one respondent argued that perhaps more specific planning and evaluation requirements should be added to the legislation.

Suggestions for Additional Consolidations

Although the overwhelming impression left by the responses of the individuals interviewed is one of strong support for the

block grant, few respondents suggested other programs that should be consolidated. In fact, the only program mentioned by a local official was the migrant education program. One state official suggested that the various handicapped education programs should be consolidated.

The following is more typical of the responses received:

> Because the categorical programs (with the exception of ESAA) that were consolidated were really relatively small amounts of money . . . and because all had an emphasis on local needs and priorities . . ., the consolidation under Chapter 2 was appropriate. When you begin to talk about some of these other major programs that have major dollars behind them and that seem to be for priorities which are either genuinely costly or in the federal or state interest, then maybe it wouldn't be as appropriate.

A number of respondents stressed their strong disapproval of any attempt to consolidate the Chapter 1 program or the Handicapped Education program. And several mentioned support for the proposal to remove the ESAA program from Chapter 2, although others did not support this change.

In short, while most respondents expressed their support of the Chapter 2 consolidation, very few thought that other categorical education programs should be consolidated.

CONCLUSIONS AND POLICY IMPLICATIONS

The objective of this analysis was to analyze the effect of the Chapter 2 consolidation on the administrative and paperwork requirements imposed on local school districts. The principal conclusion of the analysis is that the administrative and paperwork requirements that school districts in this sample must comply with have been reduced significantly, especially in those districts that participated in several of the antecedent programs prior to consolidation. The reason for the reduction can be stated quite simply: Although districts can choose to spend their Chapter 2 allocation on as many different local projects as they wish, the program is still considered by the state to be one program so districts can interact with a single funding source; follow a single set of guidelines; and submit a single application, a single expenditure report, and a single evaluation.

According to respondents in districts that participated in several of the antecedent programs, the reduction in adminis-

trative and paperwork burden was not achieved without some costs, however. Some innovative local research and development projects have been terminated because local needs with stronger constituencies have attracted the Chapter 2 funds. Because there are now fewer planning and evaluation requirements, some districts are spending less time on those functions, although in other districts the commitment to planning and evaluation remains strong. Some state and local officials worry that accountability mechanisms may not be as firmly in place as in the past. State officials, in particular, worry that because of loose and unstandardized evaluation requirements, policymakers may never know what impact the dollars have had on education.

The findings of this analysis must be applied cautiously because the sample of states and districts is small, and because only a single individual was interviewed in each LEA and SEA. However, to the extent that the findings of this analysis can be corroborated in investigations in other states and other districts, they hold the following implications for federal policy:

- Further administrative simplification of the Chapter 2 block grant is not perceived to be necessary by state and local officials and may weaken accountability structures.

- There is significant support, especially among state officials, for clarifying and standardizing evaluation procedures for the program so that its educational effects can be assessed. The benefits of such a change must, however, be weighed against the costs in terms of administrative burden, especially in small districts.

- The Chapter 2 program may be having a detrimental effect on local research and development projects. To the extent that the stimulation of such projects is considered a national priority, some consideration might be given to earmarking a portion of the funds for competitions that stimulate local research and development. Again, the benefits of a change of this type must be weighed, however, against the costs in terms of administrative burden.

- Although Chapter 2 has succeeded in reducing the administrative and paperwork requirements imposed on local districts and is a popular program at the local level, there is little support among state and local officials for consolidation of other major federal education programs.